22nd June. 2000, an Empowered Committee of State Finance Ministers was constituted to evolve a consensus, milestones and methods for States to switch over to VAT. This Committee, after detailed deliberations, has arrived at a consensus to place tea and coffee in the 12.5% VAT rate category.

Hike in Prices of Petroleum Products

*95. SHRI DATTA MEGHE:
SHRI SANJAY NIRUPAM:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have increased the prices of petrol, diesel and LPG recently;

(b) if so, the details in regard thereto and the justification thereof;

(c) whether Government have also taken a decision to increase the price of LPG at the rate of rupees five every month in future;

(d) if so, the details thereof and the justification thereof;

(e) the extent to which the prices of essential goods are likely to increase due to hike in truck freight as a result of increase in diesel price; and

(f) whether there is a proposal to roll back the prices of petrol, diesel and LPG?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (f) Considering India's high dependence on oil imports, the increase in international prices does impact on the domestic consumer prices of petroleum products. Taking into account in increase in international prices, the Oil Marketing companies (OMCs) increased the prices of petrol, diesel and domestic LPG effective 5.11.04. Later, on account of reduction in international prices of petrol, OMCs reduced the prices of petrol effective 16.11.04 The details are enclosed as Statement-I (See below).

Domestic LPG is a subsidized product. In addition to the Government subsidy, oil PSUs have been sharing the burden by not passing the full increase in international prices on to the consumer prices of domestic LPG While effecting the increase of Rs.20/- cylinder in the RSP of domestic LPG effective 5.11.04, it was earlier decided that the RSP of domestic LPG cylinder would be increased by Rs. 5/-per month till the end of 2004-05. However, later it was decided that this monthly increase would not be effected.

As regards the increase in the prices fo essentiar goods as a result of the increase in the price of diesel, the annual rate of inflation in terms of Wholesale Price Index (WPI) numbers, on a point-to-point basis, rose from 7.06% as on 30.10.2004 to 7.76% as on 6.11.2004. However, in the subsequent week, the rate of inflation declined to the present level of 7.34% as on 13.11.2004. A statement showing the percentage variations in the movement of WPI in respect of the 14 essential commodities during the period between 30.10.2004 (pre-price hike) and 13.11.2004 (post-price hike) is at enclosed as Statement II (See below). As per this statement, the recent increase in the petrol, diesel and LPG prices do not appear to have made an immediate impact on the prices of these 14 essential commodities. However, the hike in diesel prices may have a cascading effect which may contribute to some increase in the retail prices of various commodities in different parts of the country owing to hike in transport and other incidental costs.

Statement-I

Revisions in the Prices of Petrol, Diesel and Domestic LPG during November 2004

Product	Retail Selling Prices* on:		
	4.11.04	5.11.04	16.11.04
Petrol (Rs. /litre)	36.81	39.00	37.84
Diesel (Rs./litre)	24.16	26.28	26.28
Domestic LPG (Rs./Cylinder)	261.60	281.60	281.60

*Retail Selling Prices at Delhi.

Statement-ll

Percentage Variation in the Wholesale Indices of Selected Essential Commodities during the between 30.10.04 (Pre-Hike) and 13.11.04 (Post-Hike)

Commodity	Percentage variation
Rice	0.2
Wheat	0.6
Atta	0.0

Commodity	Percentage Variation
Gram Dal	-0.3
Arhar Dal	-2.7
Potato	-1.8
Onion	-0.3
Milk	0.0
Tea	-2.1
Sugar	-0.1
Salt	3.2
Vanaspati	0.0
Mustard Oil	0.2
Groundnut Oil	2.2
All Commodities	0.3

Decline in Water Table

*96. SHRI RAJEEV SHUKLA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government are aware of a recent report that declining water table may result in no ground water in major States like Delhi, in as few as 15 years;

(b) which are the top five worst performing States in terms of decline of their water table; and

(c) what steps are being planned and taken by Government to remedy the current situation?

THE MINISTER OF WATER RESOURCES (SHRI PRIYARANJAN DASMUNSI): (a) As per the studies carried out by Central Ground Water Board (CGWB), under the Ministry of Water Resources, the fresh water zones in some areas of Delhi will become unavailable for exploitation within the next decade if the present rate of exploitation of ground water continues. The worst affected areas of Delhi are South west and South districts, which have been notified by the Central Ground Water Authority (CGWA) for control and regulation of ground water development. In South West district where a lens of 10 to 30 meter potable water floats over brackish